

JOSEPH R. BIDEN, III ATTORNEY GENERAL CONTACT JASON MILLER PUBLIC INFORMATION OFFICER PHONE (302) 577-8949 CELL (302) 893-8939 Jason.Miller@state.de.us

Media Release

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Attorney General Joseph R. Biden, III announces \$5.5 million settlement in oral contraceptive lawsuit

Wilmington, DE – Attorney General Joseph R. Biden, III today announced the settlement of a civil law enforcement action against the makers of the popular oral contraceptive product Ovcon. The lawsuit, joined by thirty-three other states and the District of Columbia, charged Warner Chilcott and Barr Pharmaceuticals ("Barr") with antitrust violations that have prevented generic versions of Ovcon from reaching the marketplace.

As part of the settlement, Warner Chilcott will pay \$5.5 million to Delaware and the other litigating states.

"The presence of generic drugs in the marketplace creates competition and helps control the cost of prescription drugs," Attorney General Biden said. "The Delaware Department of Justice will actively use its resources to protect access to affordable prescription drugs for Delaware's consumers."

The civil complaint, filed in 2005 in the U.S. District Court for the District of Columbia, alleges that Warner Chilcott paid Barr \$20 million to keep Barr from marketing a generic version of Ovcon. According to the lawsuit, Ovcon has been sold in the United States since 1976 as an oral contraceptive, and Warner Chilcott became the exclusive U.S. distributor of Ovcon in early 2000.

During 2003, Barr publicly announced that it planned to introduce a generic version of Ovcon to the market by the end of that year. The lawsuit alleges that Warner Chilcott paid Barr \$1 million in September 2003 for an option agreement designed to prevent Barr's generic product from coming to market. Under the terms of the alleged agreement, after Barr received FDA approval to market generic Ovcon®, Warner Chilcott had 90 days to pay Barr an additional \$19 million, after which Barr would refuse to bring the cheaper generic version to the market.

Because this lawsuit was filed as a law enforcement action, the litigating states sought civil penalties and equitable relief. The relief obtained through this settlement will help ensure that Warner Chilcott will not engage in similar conduct in the future. The lawsuit against Barr will continue moving forward in the U.S. District Court for the District of Columbia.